

Senate File 2282 - Introduced

SENATE FILE 2282
BY JOHNSON

A BILL FOR

1 An Act relating to health care cost and quality transparency.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 135.167 **Health care cost and**
2 **quality transparency — development of information portal.**

3 1. As used in this section, unless the context otherwise
4 requires:

5 *a. "Health care provider"* means a person who is licensed,
6 certified, or otherwise authorized or permitted by the laws of
7 this state to administer health care in the ordinary course of
8 business or in the practice of a profession.

9 *b. "Hospital"* means a hospital as defined in section 135B.1.

10 *c. "Performance measure"* means a quantitative tool that
11 provides an indication of an organization's performance in
12 relation to a specified health care process or outcome.

13 *d. "Performance outcomes"* means information about the
14 results of health care based on performance measures.

15 *e. "Quality of care"* means the result or outcome of health
16 care efforts.

17 *f. "Reporting program"* means an objective health care
18 feedback mechanism regarding individual or facility performance
19 that can be used internally to support performance improvement
20 activities and externally to demonstrate accountability to the
21 public and other purchasers, payers, and stakeholders.

22 2. *a.* The department shall develop a public access health
23 care cost and quality information portal. The information
24 portal shall provide information reported by hospitals and
25 health care providers on quality of care and the costs of
26 receiving care. The information portal shall be phased in
27 over a multiyear period, beginning with information collected
28 from hospitals and subsequently including other health care
29 providers. The department shall work with existing hospital
30 and health care provider data collection entities in developing
31 and implementing the information portal.

32 *b.* The department shall develop an internet site, in
33 cooperation with the electronic health information advisory
34 council and its executive committee created in section 135.156,
35 to support the public access health care cost and quality

1 information portal in a manner that allows consumers to perform
2 a comparative analysis of the cost and quality of health care
3 provided in the state. In making the health care information
4 available on the internet site, the department shall:

5 (1) Organize the an internet site in a manner that
6 facilitates ease of use by consumers.

7 (2) Exclude from the internet site any information that
8 compromises patient privacy.

9 (3) Include links to internet sites of hospitals and other
10 health care providers to enable consumers to obtain additional
11 information about hospitals and health care providers,
12 including programs designed to enhance quality and safety, and
13 reduce costs.

14 (4) Allow the linkage of other internet sites, at the
15 discretion of the department, to the internet site for the
16 purposes of maximizing information sharing.

17 (5) To the extent possible, include state and federal
18 benchmarks for performance measures.

19 (6) Clearly identify the sources of data used in the
20 internet site and explain the methodology used to develop the
21 performance measures.

22 3. The department shall determine which medical conditions
23 and procedures, performance measures and performance outcomes,
24 and cost and charge data to include on the internet site.

25 a. In determining which medical conditions and procedures to
26 include, the department shall consider such factors as volume,
27 severity of the illness, urgency of admission, individual and
28 societal costs, whether the condition is acute or chronic,
29 variation in costs, variation in outcomes, and magnitude of
30 variations and other relevant information.

31 b. (1) In determining which performance measures and
32 performance outcomes to include, the department shall consider
33 such factors as volume of cases, average patient charges,
34 average length of stay, complication rates, mortality rates,
35 and infection rates, among others, which shall be risk-adjusted

1 and severity-adjusted, if applicable.

2 (2) Performance outcome indicators shall be risk-adjusted
3 or severity-adjusted, as applicable, using nationally
4 recognized risk adjustment methodologies, consistent with
5 national standards, as selected by the department.

6 (3) The performance measures shall be based on medical
7 evidence and shall be developed through a process in which
8 hospitals and health care providers participate.

9 (4) The department may also consider such additional
10 measures adopted by the federal centers for Medicare and
11 Medicaid services, the national quality forum, the joint
12 commission on accreditation of healthcare organizations, the
13 federal agency for healthcare research and quality, or a
14 similar national entity that establishes standards to measure
15 the performance of hospitals and health care providers, or such
16 additional measures adopted by other states.

17 c. In determining which cost and charge data to include,
18 the department shall consider such measures as average charge,
19 average net revenue per adjusted patient day, average cost
20 per adjusted patient day, and average cost per admission.
21 The department shall also utilize its authority and the
22 data collected pursuant to sections 135.74 through 135.79 in
23 providing cost and charge data.

24 d. The department shall have the right to review any and
25 all documentation upon which submitted data are based, upon
26 reasonable notice and in accordance with department rules.

27 4. a. The department shall develop a reporting program and
28 uniform reporting form for distribution to hospitals and health
29 care providers to report the medical conditions and procedures,
30 performance measures and performance outcomes, and cost and
31 charge data selected for inclusion on the internet site.

32 b. The department shall require each hospital to make
33 available an electronic copy of the hospital's charge
34 description master for the department to post on its internet
35 site. For the purposes of this paragraph, "*charge description*

1 *master* means a uniform schedule of charges represented by the
2 hospital as its gross billed charge for a given service or
3 item, regardless of payer type.

4 EXPLANATION

5 This bill relates to health care transparency. The bill
6 directs the department of public health (DPH) to develop
7 a public access health care cost and quality information
8 portal to provide information reported by hospitals and
9 health care providers on quality of care and the costs of
10 receiving care. The portal is to be phased in over a multiyear
11 period, beginning with information collected from hospitals
12 and subsequently including other health care providers. The
13 department is required to work with existing hospital and
14 health care provider data collection entities in developing and
15 implementing the information portal.

16 The bill directs DPH to develop an internet site, in
17 cooperation with the electronic health information advisory
18 council and executive committee, to support the public access
19 health care cost and quality information portal in a manner
20 that allows consumers to perform a comparative analysis of
21 the cost and quality of health care provided in the state.
22 The internet site is required to include medical conditions
23 and procedures, performance measures and outcomes, and cost
24 and charge data, and the bill specifies the considerations
25 DPH is to review in determining the medical conditions and
26 procedures, performance measures and outcomes, and cost and
27 charge data to include. The bill also directs DPH to develop a
28 reporting program and uniform reporting form for distribution
29 to hospitals and health care providers to report the medical
30 conditions and procedures, performance measures and outcomes,
31 and cost and charge data selected for inclusion on the internet
32 site. Additionally, DPH is to require each hospital to
33 make available an electronic copy of the hospital's charge
34 description master for the department to post on its internet
35 site.